

AMENDED IN ASSEMBLY APRIL 30, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2234**

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**Introduced by Assembly Member Ting**

February 21, 2014

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An act to amend Sections 15640, 15643, and 15645 of the Government Code, relating to the State Board of Equalization.

LEGISLATIVE COUNSEL’S DIGEST

AB 2234, as amended, Ting. State Board of Equalization: surveys: assessment procedures: counties and cities and counties.

Existing law requires the State Board of Equalization to make surveys in each county and city and county to determine the adequacy of the procedures and practices employed by the county assessor in the valuation of property. Existing law requires the board to provide a right to each county assessor to appeal to the board appraisals made within his or her county where differences have not been resolved before completion of a field review.

This bill would require the board, when appropriate, to also provide a similar right to each former county assessor whose administration is being reviewed to appeal the board appraisals made within his or her county.

Existing law requires the board to proceed with the surveys of the assessment procedures and practices in the several counties and cities and counties as rapidly as feasible, ~~and to repeat or supplement each survey at least once in 5 years.~~

This bill would eliminate the requirement to proceed with the surveys as rapidly as feasible, and would, instead, require the board to complete

each survey within 3 months after the date the board began the survey and to repeat or supplement the survey at least once every 7 years.

Existing law requires the board, upon completion of the survey of the procedures and practices of a county assessor, to prepare a written survey report setting forth its findings and recommendations, and requires the board, before preparing its written survey report, to meet with the assessor to discuss and confer on those matters which may be included in the written survey report. Existing law requires the final survey report to be issued by the board within 2 years after the date the board began the survey.

This bill would require the written survey report to include ~~best practices the county assessor may adopt~~ *recommendations specific to the context of the issues identified and comparable examples of practices in other counties or properties the county assessor may adopt to improve existing practices*, and would require the board, before preparing its written survey report, to also meet, when appropriate, with the former assessor whose administration is being reviewed. This bill would shorten the period of time the board has to issue the final survey report from 2 years to *18 months for any survey commenced on or after January 1, 2015, to December 31, 2015, inclusive, and from 2 years to 9 months after the date the board began the survey for any survey commenced on or after January 1, 2016.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 15640 of the Government Code is  
2     amended to read:  
3     15640. (a) The State Board of Equalization shall make surveys  
4     in each county and city and county to determine the adequacy of  
5     the procedures and practices employed by the county assessor in  
6     the valuation of property for the purposes of taxation and in the  
7     performance generally of the duties enjoined upon him or her.  
8     (b) The surveys shall include a review of the practices of the  
9     assessor with respect to uniformity of treatment of all classes of  
10    property to ensure that all classes are treated equitably, and that  
11    no class receives a systematic overvaluation or undervaluation as  
12    compared to other classes of property in the county or city and  
13    county.

1 (c) The surveys may include a sampling of assessments from  
2 the local assessment rolls. Any sampling conducted pursuant to  
3 subdivision (b) of Section 15643 shall be sufficient in size and  
4 dispersion to insure an adequate representation therein of the  
5 several classes of property throughout the county.

6 (d) In addition, the board may periodically conduct statewide  
7 surveys limited in scope to specific topics, issues, or problems  
8 requiring immediate attention.

9 (e) The board's duly authorized representatives shall, for  
10 purposes of these surveys, have access to, and may make copies  
11 of, all records, public or otherwise, maintained in the office of any  
12 county assessor.

13 (f) The board shall develop procedures to carry out its duties  
14 under this section after consultation with the California Assessors'  
15 Association. The board shall also provide a right to each county  
16 assessor and when appropriate, to each former county assessor  
17 whose administration is being reviewed, to appeal to the board  
18 appraisals made within his or her county where differences have  
19 not been resolved before completion of a field review and shall  
20 adopt procedures to implement the appeal process.

21 SEC. 2. Section 15643 of the Government Code is amended  
22 to read:

23 15643. (a) (1) The board shall conduct surveys of the  
24 assessment procedures and practices in the several counties and  
25 cities and counties, and shall repeat or supplement each survey at  
26 least once in ~~seven~~ *five* years.

27 (2) Each survey required pursuant to paragraph (1) shall be  
28 completed within three months after the date the board began the  
29 survey.

30 (b) The surveys of the 10 largest counties and cities and counties  
31 shall include a sampling of assessments on the local assessment  
32 rolls as described in Section 15640. In addition, the board shall  
33 each year, in accordance with procedures established by the board  
34 by regulation, select at random at least three of the remaining  
35 counties or cities and counties, and conduct a sample of  
36 assessments on the local assessment roll in those counties. If the  
37 board finds that a county or city and county has "significant  
38 assessment problems," as provided in Section 75.60 of the Revenue  
39 and Taxation Code, a sample of assessments will be conducted in  
40 that county or city and county in lieu of a county or city and county

1 selected at random. The 10 largest counties and cities and counties  
2 shall be determined based upon the total value of locally assessed  
3 property located in the counties and cities and counties on the lien  
4 date that falls within the calendar year of 1995 and every fifth  
5 calendar year thereafter.

6 (c) The statewide surveys which are limited in scope to specific  
7 topics, issues, or problems may be conducted whenever the board  
8 determines that a need exists to conduct a survey.

9 (d) When requested by the legislative body or the assessor of  
10 any county or city and county to perform a survey not otherwise  
11 scheduled, the board may enter into a contract with the requesting  
12 local agency to conduct that survey. The contract may provide for  
13 a board sampling of assessments on the local roll. The amount of  
14 the contracts shall not be less than the cost to the board, and shall  
15 be subject to regulations approved by the Director of General  
16 Services.

17 SEC. 3. Section 15645 of the Government Code is amended  
18 to read:

19 15645. (a) Upon completion of a survey of the procedures and  
20 practices of a county assessor, the board shall prepare a written  
21 survey report setting forth its findings and recommendations that  
22 shall include, but not be limited to, ~~best practices the county~~  
23 ~~assessor may adopt~~ *recommendations specific to the context of the*  
24 *issues identified and comparable examples of practices in other*  
25 *counties the county assessor may adopt to improve existing*  
26 *practices*, and transmit a copy to the assessor. In addition the board  
27 may file with the assessor a confidential report containing matters  
28 relating to personnel. Before preparing its written survey report,  
29 the board shall meet with the assessor and when appropriate, the  
30 former assessor whose administration is being reviewed, to discuss  
31 and confer on those matters which may be included in the written  
32 survey report.

33 (b) Within 30 days after receiving a copy of the survey report,  
34 the assessor may file with the board a written response to the  
35 findings and recommendations in the survey report.

36 The board may, for good cause, extend the period for filing the  
37 response.

38 (c) (1) The survey report, together with the assessor's response,  
39 if any, and the board's comments, if any, shall constitute the final  
40 survey report. ~~The final survey report shall be issued by the board~~

~~within nine months after the date the board began the survey.~~  
Within a year after receiving a copy of the final survey report, and annually thereafter, no later than the date on which the initial report was issued by the board and until all issues are resolved, the assessor shall file with the board of supervisors a report, indicating the manner in which the assessor has implemented, intends to implement, or the reasons for not implementing, the recommendations of the survey report, with copies of that response being sent to the Governor, the Attorney General, the State Board of Equalization, the Senate and Assembly, and to the grand juries and assessment appeals boards of the counties to which they relate.

*(2) The final survey report shall be issued by the board in the following manner:*

*(A) For any survey commenced on or before December 31, 2014, within two years after the date the board began the survey.*

*(B) For any survey commenced on or after January 1, 2015, to December 31, 2015, inclusive, within 18 months after the date the board began the survey.*

*(C) For any survey commenced on or after January 1, 2016, within nine months after the date the board began the survey.*